

IN THE UNITED STATES DISTRICT COURT FOR
THE DISTRICT OF DELAWARE

CRYSTALLEX INTERNATIONAL
CORPORATION,

Plaintiff,

v.

Case No. 17-mc-151-LPS

BOLIVARIAN REPUBLIC OF
VENEZUELA,

Defendant.

**SIX CREDITORS' RESPONSE TO THE SPECIAL MASTER'S MOTION
REQUESTING AMENDMENT OF CERTAIN PRIORITY ARRANGEMENT
PROCEDURES**

OI European Group B.V. (“OIEG”); Northrop Grumman Ship Systems, Inc., f/k/a Ingalls Shipbuilding, Inc., and now known as Huntington Ingalls Incorporated (“Huntington Ingalls”); ACL1 Investments Ltd., ACL2 Investments Ltd., and LDO (Cayman) XVIII Ltd. (together, “ACL”); Rusoro Mining Limited; Koch Minerals Sàrl (“KOMSA”) and Koch Nitrogen International Sàrl (“KNI,” and, together with KOMSA, the “Koch Parties”); and Gold Reserve Inc. (collectively, the “Six Creditors”) hereby submit this response to the *Special Master’s Motion Requesting Amendment of Certain Priority Arrangement Procedures* (D.I. 928) (the “Motion”).¹

RESPONSE

The Motion requests that the Priority Arrangement Procedures be amended in either of two ways: (1) that creditors be given two business days to deliver the Required Materials to the U.S. Marshal, and the Court deem the writs to have been delivered in the order of the creditors’

¹ Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.

judicially established priority (Motion at ¶¶ 9-11) (the “Two-Day Approach”), or (2) that creditors deliver the Required Materials to the U.S. Marshal at the courthouse on a single day in the order of their judicially established priority (Motion at ¶ 12) (the “One-Day Approach”).

The Six Creditors do not oppose the Motion, but file this response to express their collective preference for the One-Day Approach given that it merely expedites the Priority Arrangement Procedures that the Court has already ordered.

The undersigned Six Creditors have all obtained conditional writs of attachment and thus have completed Steps 1 through 5 prescribed by the Court in its July 27 Order. *See* D.I. 743, 744, 748, 754, 756, 757. This Court recently (on January 8, 2024) designated each of the Six Creditors as “Additional Judgment Creditors” under the Sale Procedures Order. *See* D.I. 838. Additionally, the Six Creditors have been listed in the Special Master’s Steps Chart without modification since the first chart was filed. *See, e.g.*, D.I. 789-1, 870-1.

As noted in the Motion, the Step 7 (Perfected Writ) Deadline is currently set for April 11, 2024. *See* Motion at ¶ 4. Under the existing Priority Arrangement Procedures, there is no reason that the Six Creditors’ writs cannot be issued and perfected prior to April 11, 2024 – thus, the Six Creditors file this response as a reservation of rights to the extent that the Motion seeks to modify any of the Six Creditors’ priority rankings or their ability to perfect their respective writs in accordance with the Steps Chart, the Sale Procedures Order and the related orders fixing certain deadlines related thereto. While the Six Creditors would prefer that the perfection steps proceed immediately as originally contemplated by the Priority Arrangement Procedures, the Six Creditors understand that the existing Priority Arrangement Procedures create a timeframe that could result in lower-priority creditors being perfected after the Step 7 (Perfected Writ) Deadline.

Consistent with the Court’s recently-stated desire not to “defeat the carefully constructed priority perfection process set forth in the [July 27 Order] and [October 11 Order] . . . which adopted the priority arrangement procedures outlined” in the Special Master’s August 24 Report, and with the Court “see[ing] no sound reason to short circuit that process,” *see* D.I. 838 (internal quotations omitted), the Six Creditors suggest that if this Court grants the Motion it should adopt the alternative “One-Day Approach” procedure proposed by the Special Master. *See* Motion at ¶ 12. It is the Six Creditors’ belief that this alternative (where each Additional Judgment Creditor would arrive at the Court on the same day to deliver the Required Materials to the U.S. Marshal in the order set forth in the Priority Order) is more consistent with existing Priority Arrangement Procedures. Furthermore, the Six Creditors would suggest that (1) delivery to the U.S. Marshal be done on the record with the Court presiding, which will likely lead to a more efficient and orderly process, and (2) service by the U.S. Marshal on the Special Master then proceed in the same priority order in the courtroom on that same date or shortly thereafter.

Dated: February 8, 2024

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